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Mexico

Agricultural Situation

Mexico Announces another Corn Import TRQ from WTO Member Countries

2007

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Report Highlights:

On March 12, 2007, Mexico's Secretariat of Economy (SE) announced that it will distribute an additional 1.6 million metric tons (MMT) of corn import permits, allowing duty free entry of yellow corn from Most Favored Nations (MFN). Of this total amount, 1.0 MMT will be yellow corn for the livestock sector and animal feed manufacturers that have received 2007 NAFTA Tariff Rate Quota (TRQ). While 600,000 MT will be assigned to those livestock growers and animal feed manufacturers that have NOT received part of the NAFTA TRQ. With this announcement the total TRQ's published reached 6.572 MMT.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Mexico [MX1]
[MX]

Introduction: This report summarizes an announcement of Mexico's Secretariat of Economy (SE) published in Mexico's "*Diario Oficial*" (Federal Register) on March 12, 2007.

Disclaimer: This summary is based on a *cursory* review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail.

Title: Notice to announce the extraordinary quotas to import corn in the year 2007.

Important Dates

- 1. Publication Date:** March 12, 2007
- 2. Implementation Date:** March 13, 2007
- 3. Validity Period:** Through May 31, 2007

Products Affected: Corn, except for sowing.

Agency in Charge: The Secretariat of Economy (SE)

FAS/Mexico's Executive Summary: On January March 12, 2007, the Secretariat of Economy (SE) announced a 1.6 MMT unilateral tariff rate quota (TRQ) for corn, in accordance with the country's WTO commitments. This announcement recognizes that domestic white corn availability in Mexico is insufficient to meet the demands of the domestic livestock sector. The TRQ will be in effect until May 31, 2007. According to officials from the SE, all countries with MFN status may supply corn under this TRQ at a zero tariff. The unilateral corn import quota will be administered through the allocation of "cupos" (import permits) to importers and industry. Of this total amount, 1.0 MMT will be allocated for those members of the livestock sector and animal feed industry that have received allocations of the 2007 NAFTA's TRQ, and 600,000 will be allocated to livestock growers that have not received allocations of this 2007 NAFTA TRQ. Both allocations are of yellow corn. It should be noted that this "unilateral" TRQ is in addition to the 2007 NAFTA TRQ of 3.672 million metric tons (MMT), which was published on January 1st by the SE in Mexico's "*Diario Oficial*" and another unilateral TRQ for a total of 1.3 million which the SE had announced on January 23, 2007. (See MX7009)

H.T.S.	Description	Extraordinary unilateral quota (tons)
1005.90.03	Yellow corn, except for sowing	1,600,000

The March 12, 2007 announcement names the specific sectors of the corn supply chain that will be eligible to request "cupo" allocations under this extraordinary unilateral TRQ. These sectors include:

Beneficiaries	Extraordinary Unilateral Quota (tons)
A. Livestock sector and animal feed manufacturers that have received allocations of the yellow corn of the 2007 NAFTA tariff rate quota	1,000,000
B. Livestock sector and animal feed manufacturers that have not received allocations of the yellow corn of the 2007 NAFTA tariff rate quota	600,000
Total	1,600,000

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Internet Connections

FAS Mexico Web Site: We are available at www.fas-la.com or visit our headquarters' home page at www.fas.usda.gov for a complete selection of FAS' worldwide agricultural reporting.

Useful Mexican Web Sites: Mexico's equivalent of the Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx and Mexico's equivalent of the Department of Commerce (SE) can be found at www.economia.gob.mx. These websites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with the information contained on the mentioned sites.